

HOUSE BILL No. 1074

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-35; IC 35-45-5-11.

Synopsis: Fantasy sports. Authorizes racinos to conduct fantasy sports leagues. Establishes certain standards for conducting fantasy sports leagues. Provides that the gambling crime statutes do not apply to a fantasy sports league conducted at a racino.

Effective: July 1, 2015.

Morrison

January 6, 2015, read first time and referred to Committee on Public Policy.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1074

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-35-2-4.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2015]: **Sec. 4.5. "Fantasy sports league" refers to a contest in**
4 **which the patrons of a gambling game facility licensed under this**
5 **article:**
6 **(1) compete against each other or a target score as the owners**
7 **or managers of imaginary teams of athletes in imaginary or**
8 **simulated games;**
9 **(2) use the statistics accumulated by the athletes in actual**
10 **sporting events to determine the scores of the imaginary or**
11 **simulated games; and**
12 **(3) play for a predetermined prize.**
13 SECTION 2. IC 4-35-13 IS ADDED TO THE INDIANA CODE AS
14 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
15 1, 2015]:



Chapter 13. Fantasy Sports Leagues

Sec. 1. A licensee may:

- (1) conduct one (1) or more fantasy sports leagues; or
- (2) contract with another person to conduct one (1) or more fantasy sports leagues;

on the premises of a gambling game facility licensed under this article.

Sec. 2. (a) A licensee or a contractor of the licensee may charge an entry fee to participate in a fantasy sports league. Except as provided in subsection (b), a licensee shall require that an individual holding an occupational license to receive all entry fees and pay all prizes won in a fantasy sports league conducted under this chapter.

(b) If a licensee enters into a contract with a person that conducts online fantasy sports leagues, the contract may allow the person to receive entry fees and pay prizes electronically.

Sec. 3. (a) Entry fees and other revenues derived from conducting a fantasy sports league are not considered to be received from a licensee's gaming operations and are not subject to:

- (1) taxation under IC 4-35-8;
- (2) the fee imposed under IC 4-35-8.5;
- (3) the distribution required under IC 4-35-7-12; or
- (4) any other tax or fee imposed under this article upon a licensee's adjusted gross receipts.

(b) A licensee shall separately account for all receipts derived from and all expenditures attributable to conducting fantasy sports leagues in a manner approved by the commission.

Sec. 4. A fantasy sports league conducted under this chapter must be conducted in compliance with 31 U.S.C. 5362(1)(E)(ix). A winner in a fantasy sports league may not be determined using any of the following:

- (1) Solely on the performance of an individual athlete.
- (2) The score or result of a particular sporting event.
- (3) A point spread.
- (4) The performance of a particular team in an actual sporting event.
- (5) The performance of a combination of teams in an actual sporting event.

Sec. 5. Any prize awarded in a fantasy sports league must be made known to the patrons participating in the fantasy sports league before the league contest begins.



1 **Sec. 6. An individual must be at least twenty-one (21) years of**
 2 **age to participate in a fantasy sports league conducted under this**
 3 **chapter.**

4 **Sec. 7. A licensee shall provide written notice to the commission**
 5 **of the licensee's intent to conduct fantasy sports leagues under this**
 6 **chapter at least ninety (90) days before beginning to conduct**
 7 **fantasy sports leagues at the licensee's gambling game facility.**

8 **Sec. 8. (a) The commission has:**

9 **(1) all powers and duties specified in this chapter;**

10 **(2) all powers necessary and proper to fully and effectively**
 11 **execute this chapter; and**

12 **(3) jurisdiction and supervision over the following:**

13 **(A) All fantasy sports leagues conducted under this**
 14 **chapter.**

15 **(B) All persons present in any area of a gambling game**
 16 **facility in which a fantasy sports league is conducted.**

17 **(b) The commission may adopt rules under IC 4-22-2 that the**
 18 **commission determines are necessary to protect or enhance the**
 19 **following:**

20 **(1) The credibility and integrity of the gambling game**
 21 **facilities licensed under this article.**

22 **(2) The regulatory process provided in this chapter.**

23 **SECTION 3. IC 35-45-5-11, AS ADDED BY P.L.233-2007,**
 24 **SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
 25 **JULY 1, 2015]: Sec. 11. (a) This chapter does not apply to a gambling**
 26 **game authorized by IC 4-35.**

27 **(b) This chapter does not apply to a fantasy sports league**
 28 **conducted under IC 4-35-13.**

